

VZCZCXRO3912

PP RUEHAG RUEHAST RUEHDA RUEHDBU RUEHDF RUEHFL RUEHIK RUEHKW RUEHLA  
RUEHLN RUEHLZ RUEHNP RUEHPOD RUEHROV RUEHSK RUEHSR RUEHVK RUEHYG  
DE RUEHRA #0292 1471410  
ZNR UUUUU ZZH  
P 271410Z MAY 09  
FM AMEMBASSY RIGA  
TO RUEHC/SECSTATE WASHDC PRIORITY 5858  
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE  
RUCPDO/DEPT OF COMMERCE WASHDC

UNCLAS RIGA 000292

SIPDIS

E.O. 12958: N/A

TAGS: [ECPS](#) [ECON](#) [LG](#)

SUBJECT: LATVIA: BROADBAND INTERNET DEPLOYMENT SUMMARY

Ref: State 27310

11. In 2006 and 2007, Latvia carried out several small projects to increase internet access in Latvian provinces and a single major-scale project to increase broadband access in rural areas. The projects were implemented and co-financed by local governments and the central government, with the majority of the funding provided by EU structural funds. Latvia has listed internet access and availability promotion as an activity eligible for EU structural funds for the 2007-2013 EU budgetary period, but this activity is not designed to target rural areas or specifically increase broadband deployment. However, given Latvia's severe economic decline and the associated budgetary issues, the outlook for additional projects in the future is grim.

12. Falling budget revenues have significantly limited Latvia's ability to co-finance any EU projects. There are bureaucratic obstacles as well, since Latvia has not yet adopted guidelines and evaluation criteria necessary to launch this program. One reason behind this delay is the GOL plan to reprioritize the national list of activities eligible for EU money in response to the crisis, increasing funding to the export sector. Internet access is not viewed by Latvian authorities as a significant problem; therefore, an increase in funding to communication infrastructure projects is unlikely. Furthermore, Latvia has decided to divert the funds the European Commission allocated to expansion of broadband networks, as part of the European Economic Recovery Plan, to projects in the dairy sector.

ROGERS